

**ND TEACHERS FUND FOR RETIREMENT
INVESTMENT PERFORMANCE REPORT AS OF JULY 31, 2007**

	July-07				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Policy	Month	Fiscal YTD	FY07	Ended	Ended
		Actual		Net ROR	Net ROR		6/30/2007	6/30/2007
							Net	Net
LARGE CAP DOMESTIC EQUITY								
<i>Structured Growth</i>								
LA Capital	71,799,393	3.6%	3.8%	-3.21%	-3.21%	21.75%	13.79%	N/A
Total Structured Growth	71,799,393	3.6%	3.8%	-3.21%	-3.21%	21.75%	13.79%	11.59%
Russell 1000 Growth				-1.55%	-1.55%	19.04%	8.70%	9.28%
<i>Structured Value</i>								
LSV	81,106,238	4.1%	4.2%	-4.79%	-4.79%	23.29%	19.11%	16.46%
Russell 1000 Value				-4.62%	-4.62%	21.87%	15.93%	13.31%
<i>Enhanced Russell 1000 Index</i>								
LA Capital	75,243,234	3.8%	3.9%	-3.82%	-3.82%	20.43%	13.31%	11.77%
Russell 1000				-3.09%	-3.09%	20.43%	12.34%	11.33%
<i>Enhanced S&P 500 Index</i>								
Northern Trust	68,245,226	3.4%	3.6%	-3.90%	-3.90%	19.26%	11.40%	10.53%
Westridge	88,784,397	4.5%	3.6%	-1.62%	-1.62%	21.05%	12.00%	11.00%
Wells Capital	57,302,314	2.9%	2.8%	-4.75%	-4.75%	30.71%	N/A	N/A
Franklin	50,821,956	2.6%	2.8%	-4.38%	-4.38%	N/A	N/A	N/A
Total Enhanced S&P 500 Index	265,153,893	10.8%	12.9%	-3.43%	-3.43%	21.56%	11.94%	11.24%
S&P 500				-3.10%	-3.10%	20.59%	11.68%	10.71%
<i>Absolute Return Strategy</i>								
Epoch	14,328,489	0.7%	1.3%	N/A	N/A	N/A	N/A	N/A
S&P 500				-3.10%	-3.10%			
<i>S&P 500 Index</i>								
State Street	35,481,093	1.8%	2.0%	-4.08%	-4.08%	21.86%	12.41%	11.15%
S&P 500				-3.10%	-3.10%	20.59%	11.68%	10.71%
TOTAL LARGE CAP DOMESTIC EQUITY	543,112,341	27.3%	28.0%	-3.70%	-3.70%	21.66%	13.61%	12.15%
S&P 500				-3.10%	-3.10%	20.59%	11.68%	10.71%
SMALL CAP DOMESTIC EQUITY								
<i>Manager-of-Managers</i>								
SEI	137,820,493	6.9%	7.2%	-7.14%	-7.14%	17.13%	13.31%	14.32%
Russell 2000 + 200bp				-6.67%	-6.67%	18.76%	15.72%	16.16%
Callan	56,567,608	2.8%	2.8%	-5.30%	-5.30%	21.00%	N/A	N/A
Russell 2000				-6.84%	-6.84%	16.44%		
TOTAL SMALL CAP DOMESTIC EQUITY	194,388,101	9.8%	10.0%	-6.60%	-6.60%	17.89%	13.50%	14.44%
Russell 2000				-6.84%	-6.84%	16.44%	13.45%	13.88%
INTERNATIONAL EQUITY								
<i>Large Cap - Core</i>								
State Street	35,979,863	1.8%	1.8%	-1.25%	-1.25%	27.82%	20.73%	15.09%
MSCI EAFE (1)				-1.47%	-1.47%	27.00%	20.77%	14.70%
<i>Large Cap - Active</i>								
Capital Guardian	109,282,348	5.5%	5.4%	-1.97%	-1.97%	26.04%	21.52%	14.83%
LSV	108,625,261	5.5%	5.4%	-1.92%	-1.92%	29.94%	N/A	N/A
Bank of Ireland	36,375,187	1.8%	1.8%	-1.49%	-1.49%	25.29%	19.70%	13.72%
Total Large Cap - Active	254,282,796	12.8%	12.6%	-1.88%	-1.88%	27.58%	22.64%	15.45%
MSCI EAFE - 50% Hedged				-2.31%	-2.31%	26.94%	22.55%	15.71%
<i>Small Cap - Active</i>								
Lazard	35,607,049	1.8%	1.8%	0.24%	0.24%	24.18%	22.99%	21.28%
Wellington	37,002,299	1.9%	1.8%	0.13%	0.13%	26.62%	20.49%	21.40%
Total Small Cap - Active	72,609,349	3.6%	3.6%	0.18%	0.18%	25.39%	21.75%	21.34%
Citigroup Broad Market Index < \$2BN				1.20%	1.20%	28.60%	26.33%	25.39%
TOTAL INTERNATIONAL EQUITY	362,872,007	18.2%	18.0%	-1.41%	-1.41%	27.21%	22.14%	16.66%
MSCI EAFE - 50% Hedged				-2.31%	-2.31%	26.94%	22.55%	15.71%
EMERGING MARKETS EQUITY								
<i>Core</i>								
JP Morgan	20,233,438	1.0%	0.9%	2.34%	2.34%	46.07%	N/A	N/A
PanAgora	20,216,270	1.0%	0.9%	6.13%	6.13%	46.34%	N/A	N/A
WestLB	20,347,245	1.0%	0.9%	6.60%	6.60%	42.11%	N/A	N/A
UBS	34,664,560	1.7%	1.5%	3.44%	3.44%	42.04%	N/A	N/A
Total Core	95,461,513	4.8%	4.1%	4.42%	4.42%	43.90%	37.74%	29.07%
MSCI Emerging Markets				5.33%	5.33%	45.45%	38.67%	21.67%
<i>Small Cap</i>								
DFA	22,625,828	1.1%	1.0%	4.80%	4.80%	68.14%	N/A	N/A
MSCI Emerging Markets				5.33%	5.33%	45.45%		
TOTAL EMERGING MARKETS EQUITY	118,087,341	5.9%	5.0%	4.49%	4.49%	48.23%	38.70%	29.61%
MSCI Emerging Markets				5.33%	5.33%	45.45%	38.67%	30.66%
DOMESTIC FIXED INCOME								
<i>Core Bond</i>								
Western Asset	26,419,908	1.3%	1.3%	0.35%	0.35%	7.00%	4.29%	5.59%
Lehman Aggregate				0.83%	0.83%	6.12%	3.98%	4.48%
<i>Index</i>								
Bank of ND	47,374,319	2.4%	3.0%	1.07%	1.07%	5.69%	3.78%	4.49%
Total Index	47,374,319	2.4%	3.0%	1.07%	1.07%	5.69%	3.92%	4.50%
Lehman Gov/Credit				1.00%	1.00%	6.00%	3.84%	4.69%
<i>Convertibles</i>								
Calamos (2)	27,080,863	1.4%	1.3%	-2.22%	-2.22%	N/A	N/A	N/A
Total Convertibles	27,080,863	1.4%	1.3%	-2.22%	-2.22%	12.55%	5.57%	3.31%
Merrill Lynch All Convertibles (3)				-2.40%	-2.40%	15.38%	8.30%	10.89%
<i>BBB Average Quality</i>								
Wells Capital	26,215,345	1.3%	1.3%	-0.14%	-0.14%	9.12%	5.96%	6.71%
Lehman BBB				-0.06%	-0.06%	7.54%	4.47%	6.43%

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	Market Value	Actual	Policy	Net ROR	Net ROR		6/30/2007	6/30/2007
							Net	Net
Private Debt								
Prudential	26,635,295	1.3%	1.3%	0.62%	0.62%	7.16%	N/A	N/A
Lehman Aggregate				0.83%	0.83%	6.12%	N/A	N/A
Timberland								
TIR - Teredo (4)	20,846,312	1.0%	1.0%	-0.06%	-0.06%	26.95%	12.73%	12.23%
TIR - Springbank	44,135,408	2.2%	2.2%	-0.02%	-0.02%	26.90%	N/A	N/A
Total Timberland	64,981,721	3.3%	3.3%	-0.04%	-0.04%	27.33%	26.21%	20.09%
NCREIF Timberland Index				0.76%	0.76%	11.89%	15.17%	11.37%
Infrastructure								
JP Morgan	10,920,551	0.5%	0.5%	-1.03%	-1.03%	N/A	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	229,628,003	11.5%	12.0%	0.03%	0.03%	12.52%	11.43%	10.17%
Lehman Aggregate				0.83%	0.83%	6.12%	3.98%	4.48%
HIGH YIELD BONDS								
Core								
Loomis Sayles	63,372,716	3.2%	3.3%	-3.40%	-3.40%	13.37%	11.25%	N/A
Sutter/Wells Capital	63,472,732	3.2%	3.3%	-7.54%	-7.54%	9.82%	8.02%	N/A
Total Core	126,845,449	6.4%	6.6%	-5.44%	-5.44%	11.59%	9.63%	5.67%
LB High Yield 2% Issuer Contstrained Index				-3.48%	-3.48%	11.22%	8.70%	N/A
Mezzanine Debt								
Goldman Sachs	3,095,363	0.2%	0.2%	-0.14%	-0.14%	7.39%	N/A	N/A
TCW	4,630,791	0.2%	0.2%	N/A	N/A	N/A	N/A	N/A
Total Mezzanine Debt	7,726,155	0.4%	0.4%	-0.14%	-0.14%	7.39%	N/A	N/A
LB High Yield 2% Issuer Contstrained Index				-3.48%	11.22%	11.22%		
TOTAL HIGH YIELD BONDS	134,571,604	6.8%	7.0%	-5.37%	-5.37%	11.62%	9.64%	11.24%
LB High Yield 2% Issuer Contstrained Index				-3.48%	-3.48%	11.22%	8.77%	11.75%
INTERNATIONAL FIXED INCOME								
International Sovereign								
UBS Global (Brinson)	42,982,499	2.2%	2.5%	3.18%	3.18%	0.21%	2.69%	6.66%
Citigroup Non-US Gov't Bond Index (5)				3.31%	3.31%	2.22%	3.23%	6.89%
International Core								
Brandywine	44,563,942	2.2%	2.5%	1.59%	1.59%	6.63%	7.38%	N/A
Lehman Global Aggregate (ex-US)				2.79%	2.79%	3.78%	5.22%	N/A
TOTAL INTERNATIONAL FIXED INCOME	87,546,440	4.4%	5.0%	2.36%	2.36%	3.41%	5.03%	8.23%
Citigroup Non-US Gov't Bond Index (5)				3.31%	3.31%	2.22%	3.27%	6.92%
REAL ESTATE								
INVESCO	93,093,605			-0.04%	-0.04%	14.44%	20.09%	14.86%
J.P. Morgan Strategic & Special Funds	96,455,165			-0.09%	-0.09%	19.72%	20.09%	15.71%
J.P. Morgan Alternative Property Fund	22,709,392			-0.33%	-0.33%	6.70%	N/A	N/A
TOTAL REAL ESTATE	212,258,162	10.7%	9.0%	-0.09%	-0.09%	15.47%	19.41%	14.88%
NCREIF TOTAL INDEX				1.51%	1.51%	17.24%	17.83%	14.30%
ALTERNATIVE INVESTMENTS								
Brinson IVCF III	455,311			0.00%	0.00%	110.68%	45.47%	24.48%
Coral Partners V	3,438,719			0.00%	0.00%	-1.78%	-4.71%	-14.30%
Coral Partners V - Supplemental	487,177			0.00%	0.00%	8.49%	3.75%	0.86%
Coral Momentum Fund (Formerly Fund VI)	11,559,935			0.00%	0.00%	-16.26%	N/A	N/A
Brinson 1998 Partnership Fund	791,297			0.00%	0.00%	31.02%	22.24%	11.25%
Brinson 1999 Partnership Fund	2,006,526			0.00%	0.00%	19.95%	14.43%	7.53%
Brinson 2000 Partnership Fund	5,514,010			0.00%	0.00%	13.52%	18.72%	9.86%
Brinson 2001 Partnership Fund	4,593,790			0.00%	0.00%	15.81%	13.02%	7.67%
Brinson 2002 Partnership Fund	2,583,069			0.00%	0.00%	11.10%	12.11%	11.95%
Brinson 2003 Partnership Fund	870,092			0.00%	0.00%	34.38%	19.70%	N/A
Total Brinson Partnership Funds	16,358,783			0.00%	0.00%	16.34%	16.34%	10.08%
Brinson 1999 Non-US Partnership Fund	1,065,681			0.00%	0.00%	11.26%	57.67%	39.95%
Brinson 2000 Non-US Partnership Fund	2,083,788			0.00%	0.00%	55.10%	34.26%	25.05%
Brinson 2001 Non-US Partnership Fund	1,591,872			0.00%	0.00%	7.81%	14.42%	11.71%
Brinson 2002 Non-US Partnership Fund	3,209,376			0.00%	0.00%	88.98%	43.24%	29.72%
Brinson 2003 Non-US Partnership Fund	2,821,036			0.00%	0.00%	76.59%	33.38%	N/A
Brinson 2004 Non-US Partnership Fund	1,063,332			0.00%	0.00%	23.98%	15.75%	N/A
Total Brinson Non-US Partnership Fund	11,835,065			0.00%	0.00%	62.33%	35.68%	25.84%
Brinson BVCF IV	9,580,788			0.00%	0.00%	-3.23%	10.47%	6.87%
Adams Street Direct Co-investment Fund	4,749,545			0.00%	0.00%	N/A	N/A	N/A
Matlin Patterson Global Opportunities	7,353,330			0.00%	0.00%	10.95%	25.72%	N/A
Matlin Patterson Global Opportunities II	15,905,318			0.00%	0.00%	37.09%	N/A	N/A
Matlin Patterson Global Opportunities III	403,319			0.00%	0.00%	N/A	N/A	N/A
InvestAmerica	2,759,638			0.00%	0.00%	13.96%	-2.58%	-5.68%
Hearthstone MSII	1			0.00%	0.00%	-95.85%	-100.00%	-100.00%
Hearthstone MSIII	1,483,546			0.00%	0.00%	208.65%	79.05%	N/A
Corsair III	2,008,765			0.00%	0.00%	N/A	N/A	N/A
Quantum Resources	1,991,360			0.00%	0.00%	N/A	N/A	N/A
Quantum Energy Partners	458,029			0.00%	0.00%	N/A	N/A	N/A
TOTAL ALTERNATIVE INVESTMENTS (6)	90,828,629	4.6%	5.0%	0.00%	0.00%	17.09%	15.13%	7.33%
CASH EQUIVALENTS								
Northern Trust STIF/STEP	17,786,476	0.9%	1.0%	0.33%	0.33%	5.25%	3.91%	3.00%
90 Day T-Bill				0.39%	0.39%	5.21%	3.78%	2.76%
TOTAL FUND	1,991,079,103	100.0%	100.0%	-1.97%	-1.97%	20.05%	16.03%	13.77%
POLICY TARGET BENCHMARK				-1.54%	-1.54%	18.41%	14.38%	12.45%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) This benchmark was changed to the MSCI EAFE (unhedged) as of December 1, 2004.

(2) TCW was terminated on September 22, 2006. The portfolio was transferred to Calamos on October 5, 2006.

(3) Prior to January 1, 2005, the benchmark was the First Boston Convertible Index.

(4) Prior to June 1, 2006, the Toledo properties were under the management of RMK.

(5) Previously this benchmark was titled Salomon Brothers Non-US Gov't Bond Index.

(6) Because of the variation in fee calculations in Alternative Investments, only net returns will be shown until June of each year when actual c